

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 6865

Investigation into Central Vermont Public)
Service Corporation's Successor Service Quality)
& Reliability Performance, Monitoring &)
Reporting Plan)

Order entered: 10/1/2003

I. INTRODUCTION

In this Proposal for Decision, I recommend that the Vermont Public Service Board ("Board") approve: (1) a Memorandum of Understanding ("MOU") between Central Vermont Public Service Corporation ("CVPS") and the Vermont Department of Public Service ("Department") that was filed with the Board on July 10, 2003; and (2) CVPS's Successor Service Quality & Reliability Performance, Monitoring & Reporting Plan ("Successor Plan") as filed with the Board on July 10, 2003, with the modifications discussed below.

The Successor Plan modifies and replaces CVPS's current Service Quality and Reliability Plan, approved by the Board in its June 26, 2001, Order, in Docket Nos. 6460/6120. The Successor Plan includes minimum performance standards, service guarantees, reporting protocols and methods of data collection for each of the customer service, safety, and reliability performance areas identified in the Successor Plan.

On August 1, 2003, I sent out a list of questions to be addressed by the parties. On September 19, 2003, the Department filed responses to these questions with a cover letter indicating that CVPS was in agreement with the answers provided by the Department. On September 24, 2003, the Department filed a letter stipulating to the admission into the evidentiary record of these responses. On September 26, 2003, CVPS filed a similar letter.

II. FINDINGS

1. Under Paragraph 2 of the MOU, beginning the first day of the first quarter following the Board's order approving the Successor Plan, CVPS will measure and report its customer service, safety and reliability standards as detailed in the Successor Plan. MOU at ¶ 2.

2. The Successor Plan includes specific indices and baseline levels for performance standards in seven broad areas of customer service: call answering; billing; meter reading; work completion; customer satisfaction; worker safety; and reliability. Successor Plan at Section III, *generally*.

3. The benefits provided to CVPS customers by the Successor Plan are similar to those provided to Green Mountain Power Corporation ("GMP") customers by GMP's successor service quality and reliability plan approved in Docket No. 6851.¹ Response of the Department to Hearing Officer questions, filed on September 19, 2003.

4. The baselines in the Successor Plan are similar to those approved by the Board for GMP in Docket No. 6851. Response of the Department to Hearing Officer questions, filed on September 19, 2003.

5. The Successor Plan includes service guarantees which require CVPS to provide specified bill credits to individual customers if CVPS fails to meet certain service commitments to those customers. Successor Plan at Section IV, *generally*.

6. The Successor Plan will be reviewed by the parties after it has been in effect for one year and every two years thereafter to determine the need for any modifications of measurements or performance levels. Successor Plan at Section I, Paragraph 4.

III. DISCUSSION AND CONCLUSION

In the questions that I sent to the parties on August 1, 2003, I noted two possible modifications to the Successor Plan. The parties have agreed to both modifications. First, Section V, Paragraph 8 of the Successor Plan should be replaced with the following language:

CVPS's service quality compensation calculation, proposed credit methodology and customer communication shall be deemed accepted if the Department files no

1. Docket No. 6851, Order of 6/18/03.

objection within 30 days after the company's proposal is submitted, and the Board does not take action to examine CVPS's filing within 15 days after the filing deadline for an objection by the Department.

Second, Performance Standard 1(c), which concerns the percentage of calls abandoned after normal business hours, should be replaced with the following language: "Due to the lack of historical data, this standard will be negotiated and submitted to the Board for approval by June 1, 2004."

The two modifications consist of clarifying language which does not affect the purpose or results of the Successor Plan. The modification to Section V, Paragraph 8 of the Successor Plan is aimed at addressing an inadvertent omission in the Successor Plan that, on its face, would prohibit the Board from reviewing CVPS's service quality compensation calculation, proposed credit methodology and customer communication. The modification to Performance Standard 1(c) merely corrects a typographical error.

In a prior docket,² the Board has stressed the importance of having customers understand their rights under a utility's service quality plan. Consequently, this Proposal for Decision further recommends that the Board direct CVPS to inform its customers of the Successor Plan in a bill insert within 75 days of the date of this Order.

As the Board has found with similar plans that have been proposed by similarly situated electric utilities,³ the Successor Plan benefits CVPS customers by ensuring that adequate reliability and service quality standards are in place. I find approval of CVPS's Successor Plan to be in the public interest, and I recommend that the Board approve it with the modifications described above.

On September 24, 2003, the Department filed a letter with the Board waiving its rights under 3 V.S.A. § 811 to comment, file briefs, and present oral argument on the Proposal for Decision. On September, 26, 2003, CVPS filed a similar letter. Consequently, this Proposal for Decision has not been served on the parties.

2. Docket No. 6863, Order of 9/17/03.

3. See Docket No. 6851, Order of 6/18/03.

The foregoing is hereby reported to the Board in accordance with the provisions of 30 V.S.A. § 8.

Dated at Montpelier, Vermont, this 1st day of October, 2003.

s/Ed McNamara _____

Edward McNamara, Esq.
Hearing Officer

IV. ORDER

IT IS HEREBY ORDERED, ADJUDGED AND DECREED by the Public Service Board of the State of Vermont that:

1. The findings, conclusions, and recommendations of the Hearing Officer are adopted.
2. The Memorandum of Understanding between Central Vermont Public Service Corporation ("CVPS") and the Vermont Department of Public Service ("Department") that was filed on July 10, 2003, is approved.
3. The Successor Service Quality & Reliability Performance, Monitoring & Reporting Plan for CVPS that was filed with the Board on July 10, 2003, is approved with the following modifications:
 - a. Section V, Paragraph 8 shall be replaced with the following language:
CVPS's service quality compensation calculation, proposed credit methodology and customer communication shall be deemed accepted if the Department files no objection within 30 days after the company's proposal is submitted, and the Board does not take action to examine CVPS's filing within 15 days after the filing deadline for an objection by the Department.
 - b. The third sentence of Performance Standard 1(c) shall be replaced with the following language: "Due to the lack of historical data, this standard will be negotiated and submitted to the Board for approval by June 1, 2004."
4. CVPS shall file a tariff incorporating the Successor Service Quality & Reliability Performance, Monitoring & Reporting Plan within 30 days of the date of this Order.
5. Within 75 days of the date of this Order, CVPS shall provide its customers with a bill insert informing them of the Successor Plan.

Dated at Montpelier, Vermont, this 1st day of October, 2003.

<u>s/Michael H. Dworkin</u>)	
)	PUBLIC SERVICE
)	
<u>s/David C. Coen</u>)	BOARD
)	
)	OF VERMONT
<u>s/John D. Burke</u>)	

OFFICE OF THE CLERK

FILED: October 1, 2003

ATTEST: s/Susan M. Hudson

Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: Clerk@psb.state.vt.us)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.